



State of Arizona  
Department of Education

Jaime A. Molera  
Superintendent of  
Public Instruction

November 7, 2001  
CN-21-02

Memorandum

To: Business Managers and Administrators  
National School Lunch Program, School Breakfast Program,  
Special Milk Program, Summer Food Service Program

From: Lynne Dulin, Director  
Student Services

Re: Increased Sealed Bidding Threshold

Recently, the Uniform System of Financial Records (USFR) made an annual adjustment referring to the competitive sealed bidding threshold as required by Arizona law. The USFR has increased the threshold from \$30,724.20 to \$31,338.70 effective September 24, 2001 (USFR memorandum #184). Therefore all school districts must follow procurement procedures for any purchases above \$31,338.70.

All other guidelines remain the same. Please refer to memo CN#6-01 dated Oct. 5, 2000. A summary of the guidelines are listed as follows:

1. Purchases exceeding the \$31,338.70 threshold (or \$35,000 for charter schools) must procure using formal competitive seal bidding methods.
2. Sponsors must also continue to obtain written quotations (documentation) from at least three vendors for purchases costing at least \$15,000 but not more than \$31,338.70 (or \$35,000 for charter schools).
3. Districts' purchases costing at least \$5,000 but less than \$15,000 should continue to obtain oral price quotations from at least three vendors.

Local districts or organizations may have a policy with more stringent purchasing thresholds than those listed above. Please consult with your business manager or procurement officer for guidance with procurement.

Please refer to the memorandum CN#6-01 dated October 5, 2000 for further requirements. Furthermore, contact your specialist at (602) 542-8700 if you have any questions regarding this memorandum or previous memos.